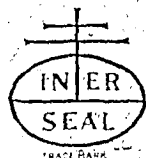


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**NATIONAL BISCUIT COMPANY**  
**ANNUAL REPORT**  
**JANUARY 31, 1904**

To the Stockholders of  
NATIONAL BISCUIT COMPANY

The following is the balance sheet of the Company at close of business,  
January 31, 1904.

Assets		
Plants, Real Estate, Machinery, Patents, etc.	\$52,498,725.19	
Less Depreciation Account	300,000.00	\$52,198,725.19
Cash	\$ 1,808,147.29	
Stocks and Securities	631,661.03	
Accounts Receivable	2,825,713.93	
Raw Material, Supplies and Finished Product	4,643,800.24	\$ 9,909,322.49
		<u>\$62,108,047.68</u>
Liabilities		
Capital Stock, Preferred	\$24,804,500.00	
Capital Stock, Common	29,236,000.00	\$54,040,500.00
Bonds Payable and Mortgages Payable, Assumed at Formation of Company, not yet Matured	\$ 1,814,000.00	
Less Amount Paid	367,000.00	\$ 1,447,000.00
Accounts Payable, including Accrued Interest		\$ 513,225.38
Balance, Jan. 31, 1903	\$ 5,294,811.68	
Earnings, 12 months to Jan. 31, 1904, inclusive	3,709,515.62	
	<u>\$ 9,004,327.30</u>	
Less Dividends Paid 12 mo. to Jan. 31, 1904, inc.	2,897,095.00	\$ 6,107,322.30
		<u>\$62,108,047.68</u>
Sales 12 months to Jan. 31, 1904, inclusive		\$40,532,114.59
Profits 12 months to Jan. 31, 1904, inclusive		3,709,515.62
Per cent of Profit to Sales		9.15

81

The sales and profits of the Company, year by year, since its organization, have been as follows:

	Sales	Profits
1898	\$34,051,279.84	\$3,292,143.10
1899	35,651,898.84	3,302,155.00
1900	36,439,160.00	3,318,355.19
1901	38,625,134.78	3,670,445.05
1902	40,221,925.08	3,689,338.09
1903	40,532,114.59	3,709,515.62

The Company has now completed the sixth year of its existence. It has paid regular quarterly dividends on its preferred stock at the rate of seven per cent per annum since the beginning. The first dividend of one per cent on the common stock was declared August 15th, 1899, payable October 15th, 1899, and since that time dividends have been paid on the common stock regularly every quarter at the rate of four per cent per annum.

The total number of stockholders of the Company immediately after its organization was about thirteen hundred. The total number now is seven thousand five hundred and eight. Of this number, seventeen hundred and fifty-four are employees of the Company; under the plan enabling employees to buy our preferred stock, paying for it in installments, they have purchased five thousand two hundred and ninety-eight shares. This, of course, is exclusive of the large amount of stock, both common and preferred, held by our directors, officers and principal managers.

The balance sheet of the Company herewith presented shows its present financial condition. It has ample cash resources for the conduct of its business, and its officers have no financial anxieties.

The profits of the Company, as well as the sales, have shown each year an increase over the preceding year, the year just closed being no exception to the rule.

The financial statement does not tell the whole story of the year just closed. A great work has been accomplished in the improvement of our organization. It has not yet reached its highest efficiency, but we have passed the experimental stage, and our aim is to make it perfect. We know that the policy we are pursuing is the right one; and each year the business of the Company becomes more stable, and its position more secure.

The quality of our goods is maintained at a high standard. The sales of our advertised package goods are constantly increasing, and we are always enlarging the scope of our advertising, with the effect that the value of our good-will, which has become our most valuable asset, is continually increasing.

In our last report we stated that we were building two large factories, one in New York and one in Chicago, especially for the manufacture of Uneeda Biscuit. Various things conspired to delay the completion of these buildings. The one in New York has just been completed, and is now in operation, having proved a complete success. A fire-proof building, one hundred feet wide by two hundred feet long, six stories and basement, equipped throughout with newly invented machinery especially adapted for the manufacture and packing of Uneeda Biscuit, lighted and operated by electricity,—we have no hesitancy in saying that it is the most complete biscuit factory in the world.

This factory is built next to and adjoining an existing factory, which we had in New York City, at the corner of Fifteenth Street and Tenth Avenue, extending through to Sixteenth Street. That factory was the largest bakery in the country; in it was manufactured our general line of goods, including sugar wafers. When we put the new sugar wafer, Nabisco, on the market and advertised it, it immediately developed such a large sale that the space occupied for that branch of the business became insufficient, and at the same

time the business on our general line of goods manufactured in our Tenth Avenue factory so increased that not only was there no space to furnish further room for the development of the Nabisco business in that factory, but the business of our general line of goods required even the room occupied by the sugar wafer department. Therefore, while the Uneeda Biscuit Works were in course of construction during the past year, a piece of ground, one hundred and twenty-five feet front on Fifteenth Street by about eighty feet deep, adjoining the new Uneeda Biscuit Works, was secured on long lease and on that plot of ground we at once commenced the erection of another fire-proof building, six stories and basement, which is nearly completed, the upper three stories and basement of which will be devoted exclusively to the manufacture of Nabisco and other varieties of sugar wafers, the lower stories being devoted to our offices.

It may be of interest to state that this plant, practically all under one roof, though separated by fire walls into distinct buildings, is the largest baking establishment in the world, and the largest manufacturing plant in New York. An idea of its size will be perhaps best understood, when we state that it has twenty-one acres of floor space.

It will also interest our stockholders to know that it will not be an idle plant; we have business already created to keep it reasonably busy, still leaving us some room for the installation of new machinery as our trade grows. In fact, it gives us the opportunity to seek a further increase of our business along profitable lines, which we have been unable to do up to this time from lack of proper facilities.

The Uneeda Biscuit Works in Chicago is practically finished, the last of the new machinery being now in course of installation. That factory when finished and in operation will be practically a duplicate in its efficiency of the Uneeda Biscuit Works in New York, and between these two factories we shall be able to turn out over half a million packages of Uneeda Biscuit a

day. We may add that we do not believe this amount to be the limit, by any means, of the consumption of Uneeda Biscuit.

The total cost of these three new buildings, with their equipment, when completed and in operation, will be about \$1,500,000.00, upon which there has already been paid the sum of \$1,311,017.78.

We recognize that the expenditure of this large sum of money brings to the officers of this Company added responsibilities, because the expenditures must be justified in the future balance sheets of the Company. We are confident that this result will be attained. We feel that it is no ordinary spirit which animates the officers and employees of this Company. As our organization becomes perfected, the loyalty and enthusiasm of the men in the Company becomes more marked, and the pride in the Company becomes greater. The devotion to the interests of the Company manifest in all the departments, is a source of great gratification to the officers of the Company, and we know it will be to our stockholders. We are all animated by one great ambition—to make the NATIONAL BISCUIT COMPANY the ideal industrial corporation.

A. W. Green,

Chairman of the Board of Directors.

## **Directors**

A. W. Green	Chicago
D. F. Bremner	Chicago
B. F. Crawford	Chicago
L. D. Dozler	St. Louis
H. J. Evans	Chicago
J. W. Hazen	Boston
F. L. Hine	New York
F. O. Lowden	Chicago
S. S. Marvin	Pittsburg
T. S. Ollive	New York
N. B. Ream	Chicago
J. D. Richardson	St. Joseph
C. E. Rumsey	Chicago
H. F. Vories	Chicago
J. B. Vredenburg	Jersey City

## **Officers**

A. W. Green	<b>Chairman of the Board of Directors</b>
B. F. Crawford	<b>President</b>
H. F. Vories	<b>Vice-President</b>
F. O. Lowden	<b>Second Vice-President</b>
F. E. Bugbee	<b>Secretary</b>
J. A. Lewis	<b>Assistant Treasurer</b>